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**STRENGTHENING UNCTAD'S CAPACITY-BUILDING
PROGRAMMES AND ACTIVITIES**

Implementation of paragraph 166 of the Plan of Action of UNCTAD X

A. Mandate and rationale

1. Paragraph 166 of the UNCTAD X Plan of Action (TD/386) calls for a strengthening of UNCTAD's capacity-building activities, particularly through regular training courses on key trade and development issues, so as to better enable developing countries and interested countries with economies in transition to meet global economic and trade challenges. This corresponds to a growing interest both within the United Nations and among intergovernmental organizations in working towards greater coherence and complementarity of policies, regulatory frameworks, and strategic approaches in respect of capacity building.¹ For example, in the area of trade, representatives of the six international agencies involved in the Integrated Framework for Trade-related Technical Assistance for Least Developed Countries (IF) recently reaffirmed the pivotal role of capacity-building in ensuring that LDCs develop the necessary analytical and policy framework for mainstreaming trade in national development strategies.

1. Examples include the efforts of the members of the Organization for Economic Co-operation and Development (OECD) to enhance their support for trade related capacity-building programmes in developing countries, the Integrated Framework for Trade related Technical Assistance for Least Developed Countries, and the ongoing international consensus-building processes about the meaning of development and the ways in which the international community should address poverty.

2. UNCTAD's primary role is to serve as the focal point within the United Nations for the integrated treatment of trade and development issues, and as a forum where consensus-building for the formulation of policies in a globalizing world should take place. Dialogue facilitation, research and analysis are highlighted as means of achieving this mandate. UNCTAD's particular comparative advantage lies in helping developing countries, and in particular LDCs and economies in transition, better understand how to design trade and development policies for efficient integration into the world economy. Towards this end, UNCTAD is strengthening its technical assistance and capacity-building activities in co-operation with other organizations.

3. The activities outlined in this note are designed to strengthen and deepen UNCTAD's capacity-building programmes. The note should be read in conjunction with the annual indicative plan for technical co-operation for 2001 (see TD/B/WP/132), as requested by UNCTAD X in paragraph 164 (vi) of the Bangkok Plan of Action, which in turn focuses on ongoing UNCTAD capacity-building activities².

B. UNCTAD's capacity- building programme: overview and objectives

4. The Focal Point designated by the Secretary-General to co-ordinate the tasks leading to the implementation of paragraph 166 is currently designing new proposals aimed at enhancing UNCTAD's existing capacity-building activities. This involves interactive and mutually beneficial capacity-building efforts within UNCTAD, within developing country institutions and governments, and between UNCTAD and developing countries and their institutions and people. While pursuing a harmonized approach to capacity building in the five areas set out below, the secretariat is responding specifically to the emphasis in paragraph 166 on training courses and the associated costed proposals to be submitted to the Working Party in this regard. The overall approach seeks to:

- facilitate convergence towards greater coherence and complementarity of capacity-building approaches;
- catalyse information-sharing and improve access to UNCTAD's capacity-building outputs and tools;
- support UNCTAD's development as a knowledge-based institution through research and increased dialogue in-house, inter-organizationally and internationally; and
- enhance networks and cooperative inter-organizational partnerships on capacity-building issues.

5. The five components set out below seek to actualize these objectives and are presently in various stages of design.

2 For a definition of capacity building, see the Guidance Note prepared by ACC (ACC/2000/PQC/CRP.8) on the matter, which is summarized in paragraphs 9-11 of the annual indicative plan on technical cooperation (TD/B/WP/132). The ACC Guidance Note is based on General Assembly resolution 53/192.

1. *Strengthening of UNCTAD's Capacity-Building reach*

6. Central to strengthening UNCTAD's capacity-building activities is the ongoing stocktaking of existing in-house projects and the review of their effectiveness with donor and recipient countries and multilateral agencies. An initial overview indicates that many projects contain both short-term (i.e. training) and longer-term (i.e. institution-building, training for trainers) elements of capacity building. The diversity and dispersion of existing projects is a reflection of the breadth of the thematic areas covered within UNCTAD's trade and development mandate. It is also a consequence of the variety of sources of extrabudgetary financing, as well as of the different terms of reference assigned to each specific project.

7. UNCTAD's capacity-building programme will work to enhance the effectiveness of UNCTAD's overall capacity-building aims in developing countries and economies in transition. In particular, the programme components will aim to build the capacity of institutions locally, both governmental and non-governmental, to better access and benefit from UNCTAD's knowledge base. This will enable countries to increasingly carry out UNCTAD-related activities from local institutional sites, the ultimate goal of capacity building. While UNCTAD's existing projects will retain their own specificity, funding and divisional ownership, the programme will work towards ensuring that local institutional knowledge bases, i.e. academic and research institutions, civil service training units and non-governmental organizations, are developed in ways which support the long-term capacity-building objectives and needs of developing countries.

8. At present, organizational activities are being pursued under the responsibility of the Focal Point, with ad hoc assistance from other parts of the UNCTAD secretariat. With the successful development of the activities listed below, the Focal Point will seek to develop a capacity-building coordination team to maintain activities aimed at strengthening UNCTAD's capacity-building efforts. This effort will draw upon existing secretariat resources and such extrabudgetary resources as may be mobilized for this purpose.

2. *Training courses on key issues on the international economic agenda*

9. As a central pillar of the paragraph 166 mandate, UNCTAD is designing regular courses on key international trade and development issues and commercial diplomacy for policy-makers and negotiators of developing countries and countries with economies in transition, as well as critical civil society sectors. This exercise is drawing on - and will continue to make full use of - the methodology and courses developed through ongoing UNCTAD training programmes, including, for example, TrainForTrade and training in the area of investment agreements and dispute settlement. In developing training packages and materials, the TrainForTrade methodology, for example, emphasises the development of local training capacities, the training of trainers, and networking through cooperation among training institutions. In addition to the ongoing and proposed training programmes mentioned in the annual technical cooperation plan, two priority courses will respond to the emphasis in paragraph 166 on capacity building in key issues on the international economic agenda within UNCTAD's competence, as indicated below.

1.1 Critical trade and development policy issues

10. These six/eight week courses will seek to build up the analytical and practical capacity of participants in UNCTAD's area of comparative advantage: a holistic, integrated approach to trade and development issues. This will include examination of trade and development-related goals and strategies in the present context of globalization. In particular, the courses will seek to equip participants with a solid understanding of key issues on the international economic agenda, especially development dimensions within UNCTAD's field of competence. These courses and their syllabi³ will work in tandem with the objectives and content that inspire the syllabus of the post-graduate programme (see section 4.1), so as to enhance the mutually beneficial and complementary aims of UNCTAD's capacity-building mandate.

11. The courses would be held at the UN Staff College in Turin, which is the only training institution in the United Nations system with residential facilities and is close to Geneva. The aim will be to hold at least one course with participants from different countries in Turin each year.

1.2 Commercial diplomacy training courses

12. Commercial diplomacy training courses, designed for trade negotiators, policymakers and those influencing policy, will be specifically targeted at the participation of developing countries and economies in transition in the WTO and the ongoing WTO negotiations. In consultation with the intended beneficiary countries, the courses will seek to update participants and increase their awareness of the implications of WTO rules on trade and development, and they will include simulation exercises on trade negotiations and other analytical and practical exercises aimed at ensuring countries' effective participation in WTO negotiations in a manner that enables them to better derive benefits from globalization.

13. The courses will also be designed to raise awareness amongst a wider public of issues surrounding international trade negotiations. Participants will include parliamentarians, journalists, members of non-governmental organizations, and academics. It is envisaged to offer a range of these courses in developing countries, depending on demand and need, the level of the candidates and their time availability and, naturally extrabudgetary resources. The courses, which would be held over a two/three week period, will initially be conducted in English, French and Spanish, although regional funding proposals will seek to ensure that courses are held in other UN languages. Courses would be organized in co-operation with national and regional training institutions in both developing and developed countries, as well as regional and international organizations (particularly the WTO) in Latin America, the Caribbean, Northern and sub-Saharan Africa, Asia and the Pacific, and the Central European and Asian economies in transition. The aim will be to hold at least one course per year in each region/subregion. Trainers will be selected from among staff members and experts of UNCTAD, as well as from international and regional organizations and academic institutions globally.

3 A preliminary syllabus was distributed at the monthly consultations of the President of the Trade and Development Board, 7 July 2000.

14. It is envisaged that at least one commercial diplomacy course will be undertaken before the end of 2000. The first, in Africa for African trade negotiators as part of the ongoing UNDP/UNCTAD regional project, will be on the subject of emerging trade issues, competition policy, investment, trade and environment. Discussions are under way to organize a course in Latin America and the Caribbean in early 2001, in cooperation with the Inter-American Development Bank.

15. The UNCTAD secretariat is consulting with interested bilateral, regional and multilateral donors on how to fund both sets of courses. The annex to this note contains information on the estimated costs of regional and interregional training courses, as requested in paragraph 166 of the Bangkok Plan of Action.

2. Capacity-building in trade and development in national poverty reduction strategies

16. A number of organizations, including those associated with the Integrated Framework (IF) exercise, have highlighted the need to strengthen the theoretical and operational linkages between poverty reduction and trade liberalization. They have further emphasized the need to ensure that trade policy, trade-related technical assistance, and capacity-building needs are articulated in a broad development context, something UNCTAD is well placed to facilitate. As the secretariat for the Third United Nations Conference on the Least Developed Countries (LDC III), to be held in May 2001, UNCTAD has a particular responsibility to ensure that these issues remain well coordinated with other activities aimed at ensuring the beneficial integration of LDCs into the global economy.

17. While this element is still in the early stages of development, the Focal Point is considering various activities aimed at fulfilling this task. These include:

- National and international poverty strategy studies: good-practice poverty reduction strategy case studies would be undertaken in LDCs with the aim of assessing the coherence and complementarity of various international and national initiatives and assessments, i.e. the Poverty Reduction Strategy Papers (PRSP) and the LDCs' national programmes of action. The studies would seek to support the preparatory process for the LDC global programme of action. This could be done in partnership with other UN agencies, in particular UNDP. The project would also aim to have a constructive impact on the PRSP process and to have concrete "alternatives" prepared for presentation at LDC III.
- Developing the trade component of the PRSP: UNCTAD should consolidate its own material developing the trade-poverty and trade-poverty reduction linkages. This could be used in UNCTAD capacity-building activities, while simultaneously feeding into the PRSP process, which is open to UNCTAD involvement. Presently a PRSP sourcebook is being prepared by the World Bank, which includes the following areas that UNCTAD should simultaneously develop and consolidate:
 - Techniques for evaluating trade policies;

- Options for policy reform (including complementary policies such as institution-building);
 - Links between sectoral programmes in human development and infrastructure and trade;
 - Techniques for evaluating impacts of reform on the poor.
- Facilitating inter-ministerial dialogues on poverty reduction strategies: as a substantive contribution towards building capacity at national and local levels to assume control and direct their own poverty reduction initiatives, country workshops for ministers to coordinate activities related to the PRSP process represent a critical need in LDCs. Workshop findings could be consolidated into reports and distributed to other LDCs.
 - Education and training for pro-poor trade: this is envisaged as a component for UNCTAD training courses and university syllabi, possibly in collaboration with UNDP.

The Focal Point, with the assistance of other parts of the secretariat, is currently developing these proposals for further consideration.

3. *UNCTAD scholars capacity-building network*

18. With a view to strengthening UNCTAD's capacity-building activities, the Focal Point envisages the consolidation, enhancement and enlargement of existing relationships between the UNCTAD secretariat and selected universities and/or training and research centres. The Focal Point is proposing an UNCTAD scholars capacity-building network consisting of the two instruments described below designed to facilitate the development of a decentralized global academic-based infrastructure for:

- disseminating its analytical work and practical expertise;
- facilitating dialogue and collaboration between people and institutions on trade and development related issues; and
- enhancing the capacity of local institutions to build their own knowledge-based institutions and training capacity.

3.1 *Post-Graduate Programme on International Trade*

19. Towards the fulfilment of the above aims, the UNCTAD Post-graduate Programme on International Trade will develop regular programmes within academic and training institutions in developing countries which build local capacity to educate and train future researchers, trade negotiators and policy-makers. This will build on arrangements currently in place with several such institutions. Targeted trainees will be post-graduate students in international relations, international economics, and international law, as well as policy-makers and businessmen. Selected academic institutions will undertake the development of training at the post-graduate level for the duration of one academic year. UNCTAD will give technical support to the development of the syllabus, which, like the international trade agenda itself, will be multi-disciplinary in nature by integrating economic, legal and political aspects. The trainers (i.e. mainly

the professors of universities included in the Programme) will be trained for two months in the UNCTAD secretariat, in close contact with UNCTAD staff members, so as to update their knowledge of the topics on the syllabus and to adapt it to the local needs of their country. A diploma will be delivered in accordance with each institution's academic requirements for post-graduate degrees, with the support of UNCTAD. A detailed proposal is being elaborated and preliminary consultations are being conducted with some developing countries' universities.

3.2 UNCTAD Senior Research Fellowship Programme

20. The Senior Research Fellowship Programme (SRFP) will bring 10 graduate student researchers in the dissertation stage from selected universities around the world to UNCTAD for approximately six months, twice a year. The Senior Research Fellows (SRFs) will be carefully selected on the basis of dissertation research interests that concur with UNCTAD's development perspective research priorities. Faculty members taking sabbatical leave will also be invited and encouraged, and special provisions made for their engagement with UNCTAD staff and vis-à-vis UNCTAD programmes. This part of UNCTAD's capacity-building programme will contribute to the development of institutional capacity within key universities and departments in developing countries and economies in transition, so that they may act as focal points for ongoing capacity-building work in the areas of trade and development.

21. A full programme proposal has been developed and fund-raising efforts are under way. A small number of developing country students from Swiss-based universities will be invited to start as SRFs in October 2000, while the first full cohort will start in January 2001, assuming funding of the Programme.

4. Cyber reference space and research-links network

22. The Research-Links Network initiative, launched on the occasion of UNCTAD X, as well as the Virtual Reference Library of UNCTAD's publications, currently being developed, are two excellent vehicles for sharing the outputs, in electronic and printed forms, obtained from UNCTAD's capacity-building programmes. In particular, UNCTAD's Information Retrieval and Reference Service (IRRS) as a rich collection of electronic and printed studies, books, working papers, in-house electronic databases, and CD-ROMS, as well as on-line access to sources of documentation and information and a reading room for UNCTAD staff.

23. Towards ensuring the space and institutional resources that will ensure the success of the Senior Research Fellowship Programme (SRFP), while benefiting capacity-building activities more widely, UNCTAD will transform its reading room within the IRRS into a Cyber Reference Space (CRS). This CRS will offer computerized cyber workstations for Senior Research Fellows (SRFs) of the SRFP. The CRS will further offer an interactive space for UNCTAD staff and visitors at UNCTAD for capacity-building purposes.

Annex

COSTING OF THE INTENSIVE TRAINING COURSES

1. The direct costs of UNCTAD-sponsored training courses depend on the number of participants and resource persons, as well as the location and duration of the courses. The costs incurred by UNCTAD also depend on the extent of host country/institution support, which varies significantly among developing countries at differing levels of development. The following provides information on such costs, depending on various assumptions.

Courses undertaken at the regional level

2. Costs for a regional workshop (i.e. participation from several countries in a given region), assuming 25 participants for a three-week course (location assumed, for costing purposes, to be a country hosting one of the United Nations regional economic commissions), would be:

	Travel (US\$)	DSA (US\$)	Total (US\$)
Africa (Addis Ababa):	27,500	67,725	95,225
Asia/Pacific (Bangkok)	22,500	55,125	77,625
Latin America/Caribbean (Santiago)	20,000	117,075	137,075

3. In addition, there would be a need to cover the costs of the travel/DSA of the resource persons or trainers, as well as the local costs comprising rental of workshop facilities, equipment, interpreters, hospitality etc. As noted above, the amount of such costs to UNCTAD varies according to the specific hosting arrangements. As an illustration, the African regional workshop described in paragraph 14 is estimated to cost \$120,000, including travel and DSA.

Courses undertaken at the interregional or global level

4. The eight-week course would be held at the United Nations Staff College, Turin, with short introductory and closing/evaluation periods in Geneva. On the basis of 25 participants coming from all parts of the world and resource persons travelling from Geneva, the costs would be as indicated in the table below.

**Estimated cost of one eight-week course
at UN Staff College, Turin**

Object of expenditure	Description	Nr. participants	Nr. Days	Unit	Total cost
Travel of participants	Travel costs (capital-GVA-capital)	25		3'000.00	75'000.00
	Daily subsistence allowance				
	- Geneva	25	10	180.00	45'000.00
	- Turin	25	50	30.00	37'500.00
Sub-total					157'500.00
	Contribution to UN				
	Staff College/ILO				70'000.00
Sub-total					70'000.00
Official travel	Staff to support activities in Turin				
	- staff seconded on full time (DSA)	2	50	30.00	3'000.00
	- staff seconded on full time (travel)	2		150.00	300.00
	-staff delivering lectures (DSA)	15	4	30.00	1'800.00
	-staff delivering lectures (Travel)	15		150.00	2'250.00
Sub-total					7'350.00
TOTAL					234'850.00

(1) The UN Staff College/ILO will provide accomodation and meals, hence only 20% DSA is payable to participants and staff.